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FM AMEMBASSY KINGSTON
TO RUEHC/SECSTATE WASHDC PRIORITY 6492
INFO RUCNCOM/EC CARICOM COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 0214
RUEHCV/AMEMBASSY CARACAS 0533
RUEHDL/AMEMBASSY DUBLIN 0031
RUEHLO/AMEMBASSY LONDON 0490
RUEHOT/AMEMBASSY OTTAWA 2310
RUEHTC/AMEMBASSY THE HAGUE 0755
RUEHKO/AMEMBASSY TOKYO 0183
RUEAUSM/US MARSHALS SERV HQ ARLINGTON VA
RUEAWJA/DEPT OF JUSTICE WASHDC
RUEAUSM/US MARSHALS SERVICE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RHMFISS/CDR USSOUTHCOM MIAMI FL

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DEPT PASS CENTRAL AMERICAN CARIBBEAN BASIN COLLECTIVE FOR INFO

DEPT FOR WHA/CAR - JOSEPH TILGHMAN INR/IAA - BOB CARHART
WHA/EPSC - MATT ROONEY
INL/LP - NATALIA BOZZOLO
INL/G-TIP - BARBARA FLECK
TREASURY FOR ERIN NEPHEW
JUSTICE FOR ROBERT LIPMAN

E.O. 12958: DECL: 06/25/2018

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SUBJECT: JAMAICA: PRIME MINISTER BRUCE GOLDING'S GOVERNMENT
AT NINE MONTHS: GREAT EXPECTATIONS, CHECKERED PERFORMANCE,
AND SERIOUS CONSTRAINTS

REF: A. 07 KINGSTON 1369 (071956Z SEP 07)(NOTAL)
[1](#)B. 07 KINGSTON 1301 (291156Z AUG 07)(NOTAL)
[1](#)C. 07 KINGSTON 1400 (141310Z SEP 07)(NOTAL)
[1](#)D. 07 KINGSTON 1445 (201732Z SEP 07)(NOTAL)
[1](#)E. 07 KINGSTON 1629 (021501Z NOV 07)(NOTAL)
[1](#)F. KINGSTON 365 (291811Z APR 08)(NOTAL)
[1](#)G. 07 KINGSTON 1681 (192007Z NOV 07)(NOTAL)
[1](#)H. KINGSTON 421 (131527Z MAY 08)(NOTAL)
[1](#)I. STATE 28434 (190102Z MAR 08)(NOTAL)
[1](#)J. KINGSTON 427 (151209Z MAY 08)(NOTAL)
[1](#)K. KINGSTON 542 (131504Z JUN 08)(NOTAL)

Classified By: Charge' James T. Heg, reasons 1.4 (b) and (d)

Summary, Analysis, and Comment

1.(C) Prime Minister (PM) Bruce Golding's Jamaica Labour Party (JLP) Government took office in September, 2007, amid great expectations at home and abroad. Nine months on, its performance has been checkered: several of its preliminary achievements have been impressive; yet, it also has missed opportunities and faces serious constraints, both domestic and global. Beset by an alarming wave of violent crime, resurgent inflation, and soaring costs for food, fuel, and imports, ordinary Jamaicans are under great pressure; inevitably, they will begin to hold the new Government to account. The most recent available poll gives the Leader of the Opposition People's National Party (PNP), the populist former-PM Portia Simpson Miller, a personal favorability rating six points ahead of the incumbent PM; yet, a plurality still believe Golding to be the best leader of the country. This suggests most Jamaicans are willing to give him a bit more time for the JLP Government's pro-growth policies to bear fruit.

2.(C) Although Golding has done little to endear himself at

senior levels in Washington, cooperation with us on the ground in critical areas, especially law enforcement, remains strong: the apprehensions here in the past week of U.S. Marshals Top 15 fugitive David Clark and of Polk County, Florida murder suspect Davion Parson illustrate this. The pressures are taking a toll on the PM; an inveterate workaholic who has difficulty delegating responsibility, Golding now looks years older.
End Summary, Analysis, and Comment.

Great Expectations, Checkered Performance

3.(C) Following the closest election in the country's history, PM Golding's JLP Government took office in September, 2007, thus bringing an end to eighteen consecutive years in which the People's National Party (PNP) had dominated the political and economic landscape (ref A). Based on the new PM's policy expertise, pragmatic orientation, and integrity, and buoyed by a JLP manifesto calling for ambitious reforms (ref B), expectations of the new Government were high -- in Jamaica, across the region, and in the USA (ref C). Nine months on, in post's estimate, the actual performance of the Golding Government has been checkered: in a number of areas, its preliminary accomplishments have been encouraging, and indeed impressive; yet it also has missed opportunities and faces serious constraints, both domestic and global (refs D,E).

The Positive Side

4. (C) By any objective measure, in its first nine months the JLP Government's accomplishments have included the following:

(A) enhanced tax collection, to include amnesty programs for payments of corporate tax arrearages (ref F);

(B) investigations of major national scandals, including a campaign finance imbroglio involving the Dutch oil trading firm Trafigura, alleged corruption surrounding the distribution of Cuban light bulbs, and missing Treasury funds (ref G);

(C) in late May, reaffirmation by Standard and Poor's of Jamaica's "B" credit rating and overall stable economic outlook;

(D) reopening of relations with the Inter-American Development Bank (IADB) and World Bank (IBRD), to include loans for infrastructure improvements and anti-corruption efforts (ref F);

(E) temporary food subsidies, planting and seed-distribution programs, and a waiver of the Caribbean Community (CARICOM)'s Common External Tariff (CET) to allow emergency rice purchases from the USA to enable the poorest Jamaicans to cope with rising prices (ref F);

(F) appointments of new commissioners for the Jamaican Constabulary Force (JCF) and Jamaica Customs (both in serious need of reform), and replacement of the Minister of National Security (ref H);

(G) enhanced pursuit of alternative/renewable energy sources (ref F);

(H) with respect to trafficking-in-persons (TIP), initiation of several investigations using recently-enacted anti-TIP legislation, resulting in maintenance of Jamaica's Tier 2 ranking and possible elevation to Tier 1 in 2009;

(I) adroit handling of the dismantlement of "alternative investment" pyramid schemes, to include gradually dampening investor expectations of a government bailout (ref F);

(J) negotiation of commercial airline flights/linkages to Jamaica from emerging and existing markets to shore up air travel over the next year for the vital tourism sector, to include assurances from Asian and European carriers to create linkages through connections out of New York and other critical gateways.

Missed Opportunities

5.(C) On the other side of the ledger, in post's estimate the JLP Government has missed opportunities, or been slow off the mark, in the following areas:

(A) perceived as insufficiently rigorous in dealing with an alarming upsurge in murder and other violent crime, and in supporting its new Police Commissioner;

(B) in March, declining an invitation to a White House meeting with other recently elected Caribbean leaders, ostensibly because of parliamentary budget deliberations, lack of CARICOM guidance, and the absence of an established meeting agenda (ref I);

(C) shutting down RIU Group's massive hotel construction site in Montego Bay, rather than negotiating a resolution to a building permit dispute (ref J);

(D) slow to privatize Air Jamaica, which the government cannot afford to subsidize much longer (ref K), and rejection of a proposal by the Irish firm AirOne to base a new regional airline in Kingston;

(E) introduction of free universal health care appointments (in the long term, probably unsustainable)(ref B);

(F) Turning down proposed U.S. deportee resettlement assistance in December, 2007 for vague reasons of CARICOM solidarity sacrificed a solid opportunity for amorphous gains elsewhere; similarly, Golding's high-profile trip to Cuba yielded little in concrete terms but further distanced him from key U.S. policymakers and served as a further distraction from dealing with Jamaica's many critical domestic needs.

Constraining Factors, Global and Domestic

6.(C) Despite its fundamentally sound, pragmatic orientation, during its initial nine months the JLP Government has been constrained by formidable global and domestic factors:

(A) resurgent inflation, with unprecedented simultaneous rises in food, commodity, and oil prices;

(B) a currency closely tied to the falling U.S. dollar (against which it has declined, thus magnifying the impact of higher oil prices);

(C) an onerous debt burden (approx. 130 percent of GDP);

(D) an alarming upsurge in violent crime;

(E) weak infrastructure;

(F) a narrow, fragile 32-28 parliamentary majority;

(G) public distrust of the Jamaica Constabulary Force (JCF), and pervasive fatalism toward crime and corruption.

7.(C) Comment: Bruce Golding has lurched from one crisis to another since taking office last September, and his popularity recently has taken a dip. However, the legal processes that could force a snap general election recently have gone into go-slow mode, and the JLP Government likely has another 4-6 months to right the ship before it might risk a major test at the polls. The possibility of another major

storm this year, like Hurricane Dean or worse, is the real wild card for Golding and Jamaica in the near term. Although Golding has done little to endear himself at senior levels in the U.S., cooperation with us on the ground in critical areas, especially law enforcement, remains strong. The apprehensions here in the past week of U.S. Marshals Top 15 fugitive David Clark and of Polk County, Florida murder suspect Davion Parson illustrate this. End Comment.

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